

**CALENDAR ITEM
C01**

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01/17/04
WP 6205.1
L. Burks

**AMENDMENT OF MASTER LEASE NO. PRC 6205.1
(ADDENDUM NO. 26)**

LESSEE:

Pacific Gas and Electric Company
P. O. Box 770000 - N10A
San Francisco, California 94177-0001

LAND TYPE, AND LOCATION:

Sovereign lands in Taylor Slough, Bethel Island, Contra Costa County.

AUTHORIZED USE:

Proposed horizontal directional drill (HDD) of a 6-inch diameter electrical conduit and maintenance of an existing 4kV submarine cable.

MASTER LEASE TERM:

30 years, beginning September 1, 1982.

CONSIDERATION:

\$24,993 per year, with the State reserving the right to fix a different rent periodically during the lease term.

INSURANCE:

Liability insurance with coverage of no less than \$20,000,000 (self-insured).

PROPOSED AMENDMENT:

The Master Lease provides that the lease may periodically be amended by a series of addenda for the purpose of adding to and deleting from the lease the parcels of land necessary for the distribution of electrical energy. Therefore, Lease No. PRC 6205.1 is being amended to add two new parcels, which consist of a new 6-inch diameter electrical conduit and an existing damaged submarine 4kV cable, which will be abandoned in place. All other terms and conditions of the lease shall remain in effect without amendment.

CALENDAR ITEM NO. **C01** (CONT'D)

OTHER PERTINENT INFORMATION:

1. Applicant has a right to use the uplands adjoining the lease premises.
2. Pacific Gas and Electric Company (PG&E) is proposing to horizontal directionally drill (HDD) approximately 600 feet of a new 6-inch diameter electrical conduit under Taylor Slough to replace a submarine 4kV cable that was accidentally severed on December 31, 2003. The new conduit will carry a high voltage electric distribution line from a supply point on Bethel Island to a number of residences and a pumping station owned by the Ironhouse Sanitation District on Jersey Island. Since the damage occurred, mobile generators have been brought onsite to provide electricity to the customers on Jersey Island. The project will replace the damaged cable only, and will not upgrade the capacity of the electric distribution system in the area. The existing damaged 4kV cable will be abandoned in place.
3. The 6-inch underground conduit will be encased in a high-density polyethylene electric duct, with a cable system consisting of three conductors. The HDD trajectory will be at a depth of more than 50 feet below the slough.
4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 2, Replacement or Reconstruction; Title 14, California Code of Regulations, section 15302.

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

CALENDAR ITEM NO. **C01** (CONT'D)

APPROVALS OBTAINED:

California Department of Fish and Game; NOAA Fisheries.

FURTHER APPROVALS REQUIRED:

United States Army Corps of Engineers; United States Fish and Wildlife Service; Bethel Island and Jersey Island Reclamation Districts; State Water Resources Control Board.

EXHIBIT:

A. A-26 Site Plan and Location Map

PERMIT STREAMLINING ACT DEADLINE:

October 8, 2004

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 2, REPLACEMENT OR RECONSTRUCTION; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15302.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF MASTER LEASE NO. PRC 6205.1, A GENERAL LEASE – RIGHT OF WAY USE, AS REPRESENTED ON LANDS SHOWN ON EXHIBIT A-26 ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE AUGUST 17, 2004, TO ADD TWO NEW PARCELS, WHICH CONSISTS OF A NEW 6-INCH DIAMETER ELECTRICAL CONDUIT AND AN EXISTING DAMAGED SUBMARINE 4KV CABLE, WHICH WILL BE ABANDONED IN PLACE; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.